

STATE OF TENNESSEE
 COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
 ALL PROPRIETARY FUND TYPES, NONEXPENDABLE TRUST FUNDS AND DISCRETELY PRESENTED COMPONENT UNITS
 FOR FISCAL YEAR ENDED JUNE 30, 1998
 (With comparative totals for fiscal year ended June 30, 1997)

(Expressed in Thousands)

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST
OPERATING REVENUES:			
CHARGES FOR SERVICES	\$ 10,763	\$ 275,603	
CONTRIBUTIONS			\$ 732
INVESTMENT INCOME	5,095		33,649
SECURITIES LENDING INCOME			
PREMIUMS	142,286	283,781	
OTHER	4	18	
TOTAL OPERATING REVENUES	<u>158,148</u>	<u>559,402</u>	<u>34,381</u>
OPERATING EXPENSES:			
PERSONAL SERVICES	913	21,944	
CONTRACTUAL SERVICES	5,705	144,774	
MATERIALS AND SUPPLIES	26	29,661	
RENTALS AND INSURANCE	34,375	102,327	
INTEREST	1,403		
DEPRECIATION AND AMORTIZATION	8	41,242	
BENEFITS	96,520	204,946	
NURSING HOME SERVICES			
SECURITIES LENDING			
OTHER	1,355	6,075	7,084
TOTAL OPERATING EXPENSES	<u>140,305</u>	<u>550,969</u>	<u>7,084</u>
OPERATING INCOME(LOSS)	17,843	8,433	27,297
NONOPERATING REVENUES(EXPENSES)	<u>3,047</u>	<u>827</u>	
INCOME BEFORE OPERATING TRANSFERS AND EXTRAORDINARY ITEMS	20,890	9,260	27,297
OPERATING TRANSFERS FROM:			
OTHER FUNDS	1	10,596	252
PRIMARY GOVERNMENT			
OPERATING TRANSFERS TO:			
COMPONENT UNITS	(25)		
PRIMARY GOVERNMENT			
INCOME BEFORE EXTRAORDINARY ITEMS	<u>20,866</u>	<u>19,856</u>	<u>27,549</u>
EXTRAORDINARY ITEMS(Note 3)			
NET INCOME/CHANGE IN RETAINED EARNINGS	20,866	19,856	27,549
OTHER CHANGES IN FUND EQUITY:			
CONTRIBUTED FIXED ASSETS		360	
CAPITAL GRANTS	32,245		
EQUITY TRANSFERS OUT		(550)	
EQUITY TRANSFERS IN	4,575	4,510	
NET CHANGE IN FUND EQUITY	<u>57,686</u>	<u>24,176</u>	<u>27,549</u>
FUND EQUITY, JULY 1(Note 2)	291,339	329,016	157,329
CHANGE IN ACCOUNTING PRINCIPLE		(2,788)	26,230
PRIOR PERIOD ADJUSTMENT		(1,203)	
FUND EQUITY(Restated), JULY 1 (Note 2)	<u>291,339</u>	<u>325,025</u>	<u>183,559</u>
FUND EQUITY, JUNE 30	<u>\$ 349,025</u>	<u>\$ 349,201</u>	<u>\$ 211,108</u>

See accompanying Notes to the Financial Statements

TOTALS (MEMORANDUM ONLY) PRIMARY GOVERNMENT	COMPONENT UNITS	TOTALS (MEMORANDUM ONLY) REPORTING ENTITY FOR THE YEAR ENDED	
		JUNE 30, 1998	JUNE 30, 1997
\$ 286,366	\$ 128,461	\$ 414,827	\$ 430,676
732		732	1,423
38,744	73,158	111,902	67,162
			151
426,067	12	426,079	401,679
22	948	970	848
<u>751,931</u>	<u>202,579</u>	<u>954,510</u>	<u>901,939</u>
22,857	3,039	25,896	24,414
150,479	5,434	155,913	140,267
29,687	73	29,760	29,276
136,702	324	137,026	138,349
1,403	132,401	133,804	136,152
41,250	580	41,830	37,903
301,466		301,466	309,448
	8,457	8,457	7,532
<u>14,514</u>	<u>1,126</u>	<u>15,640</u>	<u>15,341</u>
<u>698,358</u>	<u>151,434</u>	<u>849,792</u>	<u>838,682</u>
53,573	51,145	104,718	63,257
<u>3,874</u>	<u>8,607</u>	<u>12,481</u>	<u>7,642</u>
57,447	59,752	117,199	70,899
10,849		10,849	874
	25	25	25
(25)		(25)	(25)
<u>(43,000)</u>	<u>(43,000)</u>	<u>(43,000)</u>	<u>(43,000)</u>
68,271	16,777	85,048	71,773
<u>(119)</u>	<u>(119)</u>	<u>(119)</u>	<u>(165)</u>
68,271	16,658	84,929	71,608
360		360	455
32,245	5	32,250	31,429
(550)		(550)	(149)
9,085		9,085	4,200
<u>109,411</u>	<u>16,663</u>	<u>126,074</u>	<u>107,543</u>
777,684	308,997	1,086,681	981,034
23,442	18,161	41,603	
<u>(1,203)</u>	<u>(1,203)</u>	<u>(1,203)</u>	<u>(1,896)</u>
<u>799,923</u>	<u>327,158</u>	<u>1,127,081</u>	<u>979,138</u>
\$ <u>909,334</u>	\$ <u>343,821</u>	\$ <u>1,253,155</u>	\$ <u>1,086,681</u>